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RV BUSINESS

FEBRUARY

CLOCK IN TO QUALITY WITH THE HOURLY WORKER

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'85 Models

How To Balance Retail Inventory

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ON THE COVER:

Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	NOV '84	NOV '83	% CHANGE	1984	1983	% CHANGE	NOV '84	NOV '83	% CHANGE	1984	1983	% CHANGE
MOTORHOMES	78	100	–22%	1,099	1,125	– 2%	62	71	– 13%	834	812	+ 3%
TRAVEL TRAILERS	55	52	+ 6%	948	1048	–10%	54	57	– 5%	848	895	– 5%
TRUCK CAMPERS	13	16	–19%	183	157	+17%	11	19	– 42%	208	200	+ 4%
CAMPING TRAILERS	25	32	–22%	1,333	1,344	– 1%	11	3	+ 67%	289	339	–15%
FIFTH-WHEELS	34	40	– 5%	354	294	+20%	7	7	same	113	98	+15%

	FOR MONTH			YEAR-TO-DATE		
	NOV '84	NOV '83	% CHANGE	1984	1983	% CHANGE
SALES VOLUME	$6,046,020	$6,785,389	–11%	$85,221,220	$80,958,567	+ 5%
TOTAL UNIT SALES	350	397	–12%	6,209	6,312	– 2%
NEW UNIT SALES	205	240	–15%	3,917	3,968	– 1%
USED UNIT SALES	145	157	– 8%	2,292	2,344	– 2%

Hopes that the elections would halt the downturn most dealers have been experiencing have proved futile. Dealer Advisory Board (DAB) figures for November '84 affirm that fact, since this month's report is the worst we have seen in almost three years.

Here are some realities as reported by the DAB: Four of the five RV types were down in new unit sales from the previous November (only travel trailers were slightly up); used units were up only in camping trailers for the month; year-to-date, three RV types (motorhomes, travel trailers and camping trailers) are down; and, year-to-date, both camping trailers and travel trailers are down. For the month, sales volume was down from the previous November. Year-to-date, sales volume is only 5 percent above the previous year. Unit sales are down in *all* categories, both for the month and year-to-date.

All is not doom-and-gloom in the RV industry. Although the picture is not nearly as rosy as it could be, we are not facing a repeat of 1973-74 or 1979-80. It seems we are undergoing an adjustment at the retail level because of several factors: The proliferation of new dealers in the past couple of years has diluted sales; the new small cars have ruled on trailer towing for millions of American families; and high interest rates and high prices mean high payments.

On the plus side, 13 of the 22 DAB dealers were ahead of last year in dollars taken in. Most increases are not dramatic, but the fact that well over half of the dealers on the DAB were up from the previous year is a good indication that RV retailing can be a very good business. Profit ratings generally dropped, but that isn't unusual for this time of the year.

MOTORHOMES

The glamorous RV product took it on the chin again, with a 22 percent drop from the previous November. Most dealers stayed about the same as last year. A few of the big fellows had big problems, and they brought down the average. The smaller dealers stayed about the same. Profits were rated from fair to good.

TRAVEL TRAILERS

With a 6 percent increase in new unit sales over last November, trailers are the only shining light for the month, which is unusual. This generally popular RV has been struggling all year to maintain an even keel with the previous year. It is still down the greatest amount for any type. Used units aren't doing too badly, but sales are down slightly from the previous year. Profits were rated from fair to good by most reporters.

TRUCK CAMPERS

Only two of the DAB members who stock truck campers reported sales of new units in November. The 19 percent drop represents only three units fewer than the previous November. Year-to-date, only campers and fifth-wheels are still ahead of the previous year. Profits were rated excellent.

CAMPING TRAILERS

November is never a good month for this RV type, nor is it a good profit month on the few units that are sold. This year was normal in that respect. New unit sales were down significantly. Profits fared a little better, ranging from poor to excellent. It is surprising to see unit sales for the year-to-date in the minus column after the great start in the first six months of the year. Although very few dealers made dramatic gains, most dealers were down.

FIFTH-WHEELS

Even this RV type, which has shown up well on the charts for a long time, has finally fallen into the minus column. The unit drop isn't great, but the fact that it is down at all is somewhat startling. Year-to-date, the 20 percent increase is still the best of all types. Profits ranged from poor to excellent. Δ

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 23 dealers representing a cross-section of the U.S. Dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

RVIA, NOVEMBER

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during November 1984 was 28,300 units, up 8.8% from November 1983.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco Incorporated, Middlebury, Indiana.

RV shipments were as follows in November 1984		November 1984	Percent Change	Cumulative 1984	Cumulative 1983	Percent Change
TRAVEL TRAILERS	3,400	4,000	−15.0%	69,600	68,100	+ 2.2%
FIFTH-WHEELS	1,200	1,500	−20.1%	18,500	17,000	+ 8.8%
TRUCK CAMPERS	200	300	−33.3%	7,300	6,600	+10.6%
MULTI-USE VEHICLES	14,500	12,000	+20.8%	162,000	141,900	+14.2%
TYPE A: MOTOR-HOMES	3,600	2,900	+24.1%	38,900	30,800	+26.3%
TYPE B: VAN CAMPERS	700	500	+40.0%	6,600	5,100	+29.4%
TYPE C: MINI MOTOR-HOMES	1,800	2,300	−21.7%	31,100	28,600	+ 8.7%
FOLDING CAMPING TRAILERS	2,900	2,500	+16.0%	38,400	35,100	+ 9.4%
TOTALS	28,300	26,000	+ 8.8%	372,400	333,200	+11.8%